

**FY 2020 / 2021**

# **BUDGET PRESENTATION**

**Georgia Insurance and Safety Fire Commissioner  
John F. King**



# Amended FY 2020 Budget Changes

- **Administration**
  - Received funds for one-time executive position salary
- **Enforcement**
  - Reduction in funds of \$90,740 to reflect reorganization
- **Industrial Loan**
  - Reduction in funds of \$60,837 to reflect vacant position



# Amended FY 2020 Budget Changes

- **Safety Fire**

- Reduction in funds of \$311,122 to reflect six vacant safety engineer inspections
- One-time \$100,000 in new motor vehicle funds for employees with high mileage, reducing future OCI costs
- One-time \$100,000 to replace home grown IT system for license, registration, and business applications
  - New software will allow OCI to receive architect plans electronically

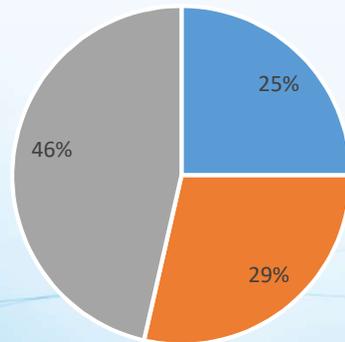


# Amended FY 2020 Budget Changes

- **Insurance Regulation**

- Reduction in funds of \$253,163 to reflect reorganizational changes

One-Time Funds of \$700,000



■ Improve Revenue Collections

■ Information Technology

■ Cyber Security



# Improve State Revenue Collections

- Lease Surplus Line software from Florida for premium tax collections
- Projected annual revenue increase of between \$500,000 and \$5,000,000
- New software will also allow companies to file with the state online, eliminating current paper submission process



# Information Technology and Cybersecurity Improvements

- Significant IT and Cybersecurity improvements to safeguard the \$1.6 Billion in revenue generated by OCI:
  - Upgrade existing unmanaged network infrastructure to a cyberattack-resilient network
  - Replace home grown website with modern site featuring new technologies that address modern security issues
  - Implement 24/7 cyber monitoring of all network traffic entering or leaving OCI environment and system monitoring for all applications supported by OCI



# Information Technology and Cybersecurity Improvements

- Additional IT and Cybersecurity improvements:
  - Deploy secure Wi-Fi internet access across Department for OCI employees and systems
  - Replace home grown document management system from the early 2000's that has no built-in security
  - Move vintage server system and email to the cloud



# FY 2021 Budget Changes

- **Administration**

- Reduction of \$146,466 to reflect reorganization and consolidation to two floors

- **Enforcement**

- Reduction of \$108,020 to reflect reorganization and consolidation to two floors



# FY 2021 Budget Changes

- **Safety Fire**

- Reduction of \$482,361 to reflect six vacant safety engineer positions and consolidation to two floors
- Proposed legislative change to move from bi-annual to annual elevator inspections, increasing current inspection rates from 30% to 95% at existing staff levels



# FY 2021 Budget Changes

- Realignment of funds from Insurance Regulation to Safety Fire in the amount of \$206,256 for new Deputy State Fire Marshal position and additional operating expenses



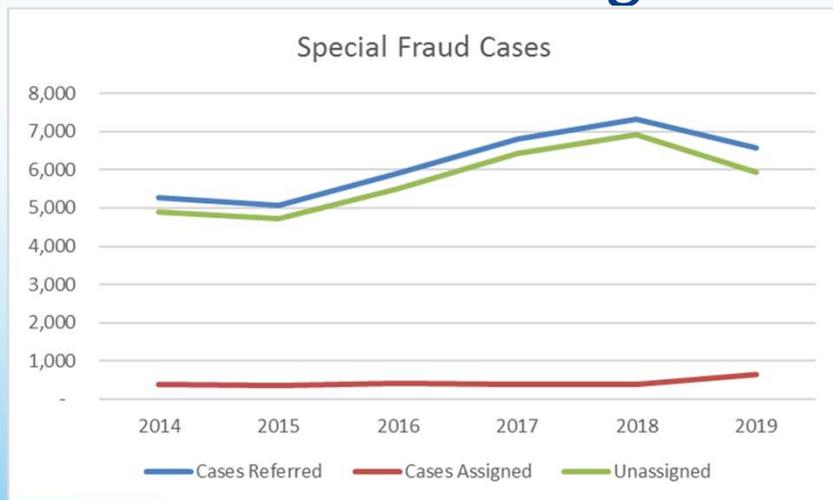
# FY 2021 Budget Changes

- Moving Special Fraud from under Insurance Regulation to its own program
  - Will increase transparency, with funding provided by insurance industry
- Increase in funds of \$1,567,541 for additional special fraud agents
  - Insurance fraud costs average Georgia family between \$400 and \$700 annually in higher premiums
  - Georgia is ranked #2 in the nation for insurance fraud

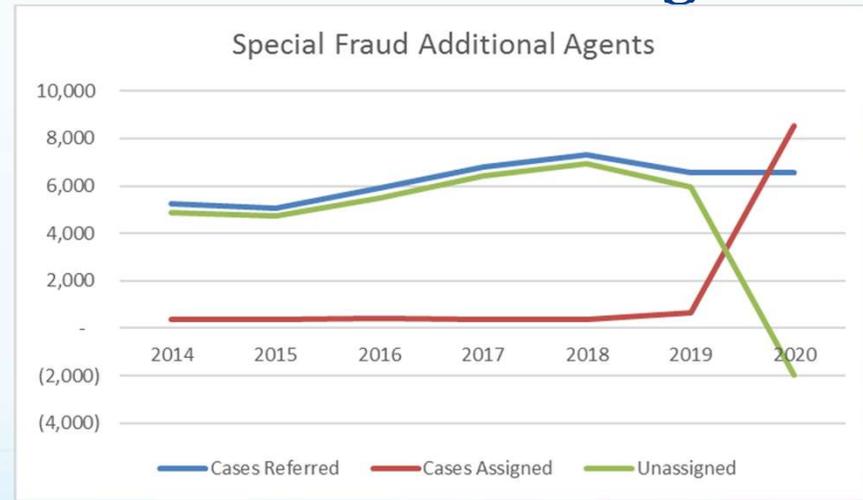


# Special Fraud Funding

## Current Funding



## Additional Funding



# FY 2021 Budget Changes

- **Insurance Regulation**

- Reduction in funds of \$235,259 to reflect reorganization and consolidation to two floors
- Realignment of expenses of \$206,256 to Safety Fire
- Transfer in funds of \$3,390,556 to Special Fraud



# Questions?

